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SUBJECT: KING ABDULLAH'S MEETING WITH CODEL KOLBE

Classified By: CDA David Hale for reasons 1.4 (b) and (d)

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SUMMARY

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**¶11. (C)** The upcoming elections in Iraq, the peace process, and Jordan's economic situation dominated CODEL Kolbe's meeting with King Abdullah in Amman on December 23. King Abdullah said Jordan is working to encourage Sunni participation in the January 30 Iraqi election, but voiced concern that Iran's perceived influence in Iraq could negatively influence the election's outcome. The King expressed his optimism that Arafat's passing presents a real opportunity to move the peace process forward, but that Abu Mazen would need support to consolidate power. King Abdullah emphasized that growing the economy and creating jobs is becoming even more critical as Jordan combats rising religious extremism, terrorism, and regional instability. Chairman Kolbe told the King that Jordan enjoys strong U.S. support, and suggested Congress would favorably consider recent Jordanian assistance requests.

**¶12. (U)** Chairman Kolbe was accompanied in the meeting by Representatives Don Payne (D-NJ), Charles Taylor (R-NC), Loretta Sanchez (D-CA), Susan Davis (D-CA), House Rules Committee staffer Brad Smith, and Charge David Hale. On the Jordanian side, Royal Court Minister Samir Rifai, Planning Minister Bassam Awadallah, and spokesperson Sima Bahuth were in attendance. End Summary.

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JORDAN ENCOURAGING SUNNI PARTICIPATION IN IRAQI VOTE  
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**¶13. (C)** During a meeting with CODEL Kolbe on December 23, King Abdullah said Jordan is "on board" with the January 30 Iraq election and is doing what it could to encourage Sunni participation. The King said he had just seen Iraqi Prime Minister Allawi in Amman earlier in the week. The King said that because the new government will be mandated with the important task of writing a constitution, it is essential that the election process result in a government that is inclusive and representative of Iraq's actual demographic makeup. The King highlighted Jordan's concern that Iran's influence among Iraqi Shia would negatively affect the election's outcome. He said that the Iranians have told him that they have strategic interests in Iraq, and "it is clear they're not sitting on the sidelines." King Abdullah noted that the GOJ's "conservative" estimate of one million Iranians in southern Iraq is shared by Allawi. He stated that the problem is that the religious elements, such as Sistani and Hakim, are influenced by Iran. If Sistani speaks Arabic, "it is with a Persian accent," he added.

**¶14. (C)** The King emphasized to Chairman Kolbe that his fear is not of Shia per se as a religious matter, but he is concerned about the possibility of a pro-Iranian alliance stretching from southern Lebanon to Iran. Alluding to Bahrain's large Shia population, the King noted that Bahrain would become vulnerable in this scenario. The King stated that some in Washington understand this threat, but others do not. The British until now have dismissed this concern, but PM Blair is beginning to understand it. Acknowledging the picture he paints could be a "worst case scenario," he insisted "it is a major problem if it comes true."

**¶15. (C)** The King continued: "As a Hashemite and descendent of the Prophet, I have no problem with the Shia. If anything, they venerate the Prophet's successors, unlike the Sunni. So I don't have a problem with Shia on my doorstep, unless it is a theocracy influenced by Iran." He claimed that the best way to counter Iran's influence is to stabilize the Iraq situation. He added that Iraq has become the philosophical battlefield: "Iran also knows they can keep you on your toes via Iraq." In response to Chairman Kolbe's comment that many Shia in Iraq do not prefer a theocracy, the King responded: "Yes, but the Iranians are intimidating them." Asked by Chairman Kolbe how to encourage Sunni participation, Abdullah said the GOJ is working with the western tribes of Iraq, where Jordan has the most influence, and has also helped Allawi arrange a series of meetings with Sunni oppositionists. Sistani currently has the upper hand,

but an alliance between Allawi and Sunnis in western Iraq might serve as a counterbalance, according to the King.

**16.** (C) The King pointed to January 2005 as a watershed time period, as the two elections -- Iraqi and Palestinian -- could take the region in one of two directions. "If we go the wrong way, I can't predict what will happen," he said. Mistakes in Iraq were made, according to the King, especially the disbanding of the army and the de-Baathification policy. He noted that 90 percent of men in Mosul are unemployed. He acknowledged efforts to reverse this are underway, but they are slow.

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OPTIMISTIC ON PEACE PROCESS  
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**17.** (C) In response to Chairman Kolbe's comment that Arafat's passing presents an opening for peace, the King said he is optimistic. The King commented that Abu Mazen is a strong candidate, but not popular on the street level. "We need to strengthen him and encourage him and Abu Alaa to work together," he said. "Abu Mazen's heart is in the right place, but the task at hand is to strengthen Palestinian political institutions" so the PA can emerge an effective partner of Israel.

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U.S. ASSISTANCE IMPORTANT TO COUNTER CHALLENGES  
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**18.** (C) In response to a question from Congressman Payne about the GOJ's economic development and plans to combat unemployment, the King said Jordan's population growth rate decreased from 2.8 percent to 2.4 percent in the last year. It was better than expected, but not good enough. Thanks in part to the U.S.-Jordan Free Trade Agreement and Qualified Industrial Zones, unemployment in Jordan fell from 16 to 12.5 percent. He said that Jordan's socio-economic platform has bounced back since the Iraq war, and investment is coming in. He cautioned that much hard work remains, and administrative reform is a major priority.

**19.** (C) Asked by Rep. Sanchez about the impact of the Iraq war on Jordan's economy, the King noted that Jordan serves as the gateway to Baghdad, but that the instability in Iraq has discouraged Western investment in Jordan and the region. However, he claimed that the major investments in Jordan since the end of the war are coming from the Gulf because of Jordan's relative stability. He mentioned that in the aftermath of 9/11, many investors from the Gulf are looking for investment opportunities in the region instead of in the United States. According to the King, Iraqis and Syrians, in addition to Saudis, are buying property in Jordan.

**10.** (C) Chairman Kolbe thanked King Abdullah for Jordan's support, acknowledging Jordan's own suffering at the hands of terrorists over the years. He said U.S. appreciation is reflected in tangible ways, which he expected would continue. In response to Chairman Kolbe's inquiry about the King's discussion with the president on Jordan's assistance requests, the King replied: "In ideal circumstances, I have no right to ask for more. The U.S. has been generous." However, given regional instability, he expected a number of "traumatic" years ahead. "If Jordan is to act as a strategic partner, and if you are going to ask me to take risks, then I need some help to be insulated -- socially, economically, militarily." He said Jordan is willing to take the necessary risks to serve as the hinge of stability in the region, and explained his decision to issue the November "Amman Message" on Islam, to counteract religious extremism and terrorism. Chairman Kolbe told the King that given his strong support in Congress and among the American people, he expected his requests would get a friendly reception.

**11.** (U) CODEL Kolbe did not have the opportunity clear this cable.

**12.** (U) Baghdad minimize considered.

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HALE